





European Platform
tackling undeclared work

GigLab Sweden

Sweden

	<p>Summary</p> <p>GigLab Sweden is a policy initiative advocating sustainable growth for Sweden’s gig economy. Through research, user involvement and data collection, GigLab builds prototype and pilot solutions aiming to make it easier for gig workers (those undertaking shorter work assignments, so-called ‘gigs’, as opposed to traditional jobs) to report work, pay taxes and ultimately ensuring job security for gig workers alongside ownership of their own data.</p>
<p>Title of the practice in original language</p>	<p><i>GigLab Sverige</i></p>
<p>Name(s) of authorities/bodies/organisations involved</p>	<ul style="list-style-type: none"> • The Swedish Tax Agency (<i>Skatteverket</i>) • The Jobtech Gig Department of The Swedish Public Employment Bureau (<i>Arbetsförmedlingen</i>) • The School of Business at the Stockholm School of Economics • Swedish Industrial Design Foundation (<i>Stiftelsen Svensk Industridesign - SVID</i>) • Coompanion (free business advice promoting cooperative entrepreneurship)
<p>Sectors</p>	<p>All</p>
<p>Target groups</p>	<ul style="list-style-type: none"> • Gig Economy workers (directly targeted); • Gig Economy platforms (directly targeted); • Authorities (indirectly targeted); • Civil society (indirectly targeted).
<p>Purpose of measure</p>	<p>Prevention</p>

	<p>Aims and objectives</p> <p>GigLab Sweden aims to improve working conditions and digital infrastructures in the gig economy, as well as to make tax compliance simpler for gig workers and employers. It is developing a body of knowledge on solutions for gig workers, by testing prototypes and using</p>
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European Platform tackling undeclared work

	the outcomes to support discussions about policy options in the gig economy.
Background context	<p>The market for gig and sharing economy in Sweden is growing: it increased from 8.4 % in 2018 to 9.8 % in 2019ⁱ. Analysis by the Swedish Tax Agency in 2016 suggests that up to 90 % of the income (of a control group) in the gig economy was undeclared.ⁱⁱ</p> <p>Due to the gig economy’s prevalence through digital formats, and the novelty of its structure, tax regulation is yet to be brought up to date with these innovations. There is a high prevalence of unintentional non-compliance with tax regulation in the gig economy due to systemic complexities, lack of tax information and insufficient advice on legal processes and requirements.</p> <p>According to the Swedish Tax Agency, most of the gig income is undeclared or incorrectly taxed at present. This is problematic both for the state, which is not receiving sufficient tax receipts, but it is equally problematic for gig workers, who do not receive the correct pension and social security benefits to which they are entitled. The taxation system is not currently well equipped to deal with the variation of roles and structures that exist within the gig economy.</p>
Key objectives of the measure	<p>General Objective:</p> <ul style="list-style-type: none"> • To create a sustainable gig work environment; • To ensure that declaring work accurately and proper tax payment is simple and accessible for gig workers and employers; • To facilitate dialogue, co-creation and partnership between academic research and policy surrounding the gig economy. <p>Specific Objectives:</p> <ul style="list-style-type: none"> • To use research findings as a basis for prototype sustainable solutions in the gig economy; • To support development of policy changes relating to the gig economy; • To enable better working conditions and digital infrastructure for the gig economy.
Main activities	<p>Throughout the spring of 2020, GigLab conducted a survey to build a comprehensive picture of the gig economy and the challenges it faces in Sweden. The survey was open to all stakeholders including gig workers, gig platforms, authorities and civil society. The survey responses will be used to create sustainable solutions and initiatives for the future of the gig economy.</p>



European Platform tackling undeclared work

	<p>Throughout autumn and winter 2020, Giglab conducted four workshops with the gig workers, platforms and different authorities. The main topics covered include:</p> <ul style="list-style-type: none"> • Identifying the challenges and other factors hindering a sustainable growth of the gig economy; • Proposals and measures to tackle undeclared and under-declared work in the gig economy; • Exploring an alternative future, influenced by the goals of the 2030 Agenda; • Options for taking these measures forward. <p>Additionally, in autumn 2020, GigLab focused on mapping the survey responses and developing potential solutions for prototyping various measures later in 2021. This mapping was completed taking into account the perspective of gig workers, gig platforms and the general society. At the time of writing, GigLab Sweden is in the process of evaluating the work and initiating prototyping solutions linked to the challenges identified.</p>
<p>Funding/organisational resources</p>	<ul style="list-style-type: none"> • The project so far has been funded by general means through the national authorities. Additional sources of funding will be sought to conduct pilot activities.

	<p>Outcomes</p> <p>An evaluation of the project will be completed at the beginning of 2021. So far, GigLab identifies that the key challenge is finding a balance for workers and employers between freedom, flexibility and employment security. Possible options to be tested include a gig worker association model rather than traditional employment models. Authorities recognise the need to improve regulations on gig work for this to happen, requiring effective collaboration with workers, platforms and social actors.</p>
<p>Achievement of objectives</p>	<p>GigLab Sweden is currently an ongoing initiative that is in its mapping phase. The project is expected to identify measures that contribute to the creation of a sustainable gig economy, addressing undeclared and under-declared work in this area, both with regards to regulation and policy, and in terms of stakeholder activity and behaviours. In addition, GigLab expects to produce comprehensive empirical data to support political discussion, research and policy implementation.</p> <p>GigLab is identifying methods to make it easier for gig workers to report work and to be taxed, to have greater</p>



European Platform tackling undeclared work

	<p>security when taking on gig work and to facilitate ownership over their own data on platforms. Data collected will be made available for stakeholders and policy-makers involved in building a sustainable gig economy.</p> <p>A full evaluation will take place at the beginning of 2021.</p>
Lessons learnt and success factors	<p>The project has contributed to understanding the challenges and benefits different stakeholders perceive within the gig economy, what they would like to see instead, and what changes need to be made.</p> <p>GigLab is also using the 'system method approach': considering the gig economy structure in a holistic manner to identify processes, stakeholders and their challenges. Results of a comprehensive evaluation will be available in 2021.</p>
Transferability	<p>The 'systems method approach' of GigLab Sweden is a transferable aspect. Its broad means of mapping and data collection, in a holistic manner, across the various stakeholders of the gig economy could be applied to different fields. As the project progresses, the collaboration methods that develops and is built between different agencies and institutions will also be transferable.</p>

Further information	
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Useful sources and resources	<p>GigLab Sweden Website available at: https://www.giglabsverige.se/om-giglab-sverige</p> <p>Swedish National GEM Report (2020) 'Entreprenörskap Sverige: Nationell GEM-Rapport 2020', available at: https://entreprenorskapsforum.se/wp-content/uploads/2020/04/GEM2020_rapport_web.pdf</p>

ⁱ National Gem-Report (2020)

ⁱⁱ Swedish Tax Agency Audits (2015 & 2016) 'Slutrapport för kontroller av UberPop-förare inkomstår 2015' available at:

<https://www.skatteverket.se/download/18.5c281c7015abec2e20110d7/1490957325343/20170403%20Slutrapport-transport%20av%20privatpersoner.pdf>

'Slutrapport för kontroller av uthyrning av privatbostäder inkomstår 2015' available at:



European Platform tackling undeclared work

<https://www.skatteverket.se/download/18.5c281c7015abecc2e20d03f/1490711848702/Rapport%20outhyrning%20bost%C3%A4der-17-03-29.pdf>

'Kartläggning och analys av delningsekonomis påverkan på skattesystemet 2016'
available at:

<https://www.skatteverket.se/download/18.361dc8c15312eff6fd31f4b/1477898771480/Delningsekonomi%20-%20Skatteverktes%20slutrapport%20161031.pdf>